STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

April 8, 2010

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

PSF No.: 10OD-001

Oahu

Issuance of Direct Lease to the City and County of Honolulu for Emergency Operating Center Purposes, Lualualei, Waianae, Oahu, Tax Map Key: (1) 8-7-006:002 (por) and 008.

APPLICANT:

City and County of Honolulu, whose mailing address is 650 S. King Street, Honolulu, Hawaii 96813

LEGAL REFERENCE:

Section 171-95, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of State lands situated at Lualualei, Waianae, Oahu, identified by Tax Map Key: (1) 8-7-006: 002 (por) and 008, as shown on the attached map labeled Exhibit A.

AREA:

5.367 Acres, together with a road easement (14,987 square feet), more or less

ZONING:

State Land Use District:	Conservation
City and County of Honolulu LUO:	P-1

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: No

CURRENT USE STATUS:

Encumbered by General Lease No. 5192, City and County of Honolulu, Lessee. Lease expires on December 31, 2010.

CHARACTER OF USE:

Emergency Operating Center purposes.

LEASE TERM:

Twenty One (21) years

COMMENCEMENT DATE:

January 1, 2011

ANNUAL RENT:

Gratis

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with the "Division of Land Management's Environmental Impact Statement Exemption List", approved by the Environmental Council and dated April 28, 1986, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1, that states "Operations, repairs or maintenance of existing structures, facilities, equipment or topographical features, involving negligible or no expansion or change of use beyond that previously existing."

DCCA VERIFICATION:

Not applicable; applicant is a government agency

REMARKS:

The subject Puu-O-Hulu Tunnel Site, including the roadway easement is presently encumbered by General Lease No. 5192 to the City and County of Honolulu (City) for a period of twenty-one years and seven months to expire on December 31, 2010. The City is currently applying for a disposition of a direct lease at the present location for the continuation of the existing operation. Further, the City states that there will be no improvements to the property and proposes to continue using the present location to coordinate emergency management operations extending from Kaena Point to Barber's

Point. The State Civil Defense also concurs with the subject request.

The Office of Hawaiian Affairs prefers that a lease rent amount be applied to the subject site based upon its fair market value, instead of gratis. Staff disagrees, noting that the applicant's function is as a governmental agency that services the health and safety needs of the public during times of emergency and catastrophic events. Further, the applicant does not receive any revenues for conducting its current operations at the site.

The State Historic Preservation Division (SHPD) requests an inventory survey and historical documentation, including time and party responsible for its construction for archeological purposes. SHPD suggests a period of three (3) years for the City to complete the requirement.

Staff is aware of the City's reluctance to agree to the SHPD's requirement, based on the notion that there will be no improvement to the tunnel. Further, the City suggests the State being the fee owner should provide such information to SHPD. Staff respectfully disagrees with the City's position. The requirement is not different from other applicant's requirement, for example, subdivision or appraisal and adequate time will be given to the City to meet the requirement. Therefore, staff recommends the Board's approval to include the SHPD's requirement as a lease condition.

The Board of Water Supply, Department of Facility Maintenance, Division of Forestry and Wildlife and Office of Conservation and Coastal Lands had no objections/comments pursuant to the subject request.

The Department of Health, Department of Hawaiian Home Lands and the Department of Planning and Permitting have not responded as of the suspense date of this request.

The proposed use is a continuation of the current use on the property with no expansion beyond what is on the property. Therefore, staff recommends the Board declare the proposed use is exempt from the preparation of an environmental assessment. There are no other pertinent issues or concerns and staff has no objection to the request.

RECOMMENDATION: That the Board:

A. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, HAR, this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment.

B. Approve a direct lease with the City and County of Honolulu covering the subject area under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:

1. The standard terms and conditions of the most current lease document form, as may be amended from time to time;

2. Applicant shall provide written documentation of the history of the subject tunnel to the satisfaction of the State Historic Preservation Division along with current photographic documentation within three (3) years from the commencement date of the new lease.

3. Review and approval by the Department of the Attorney General; and

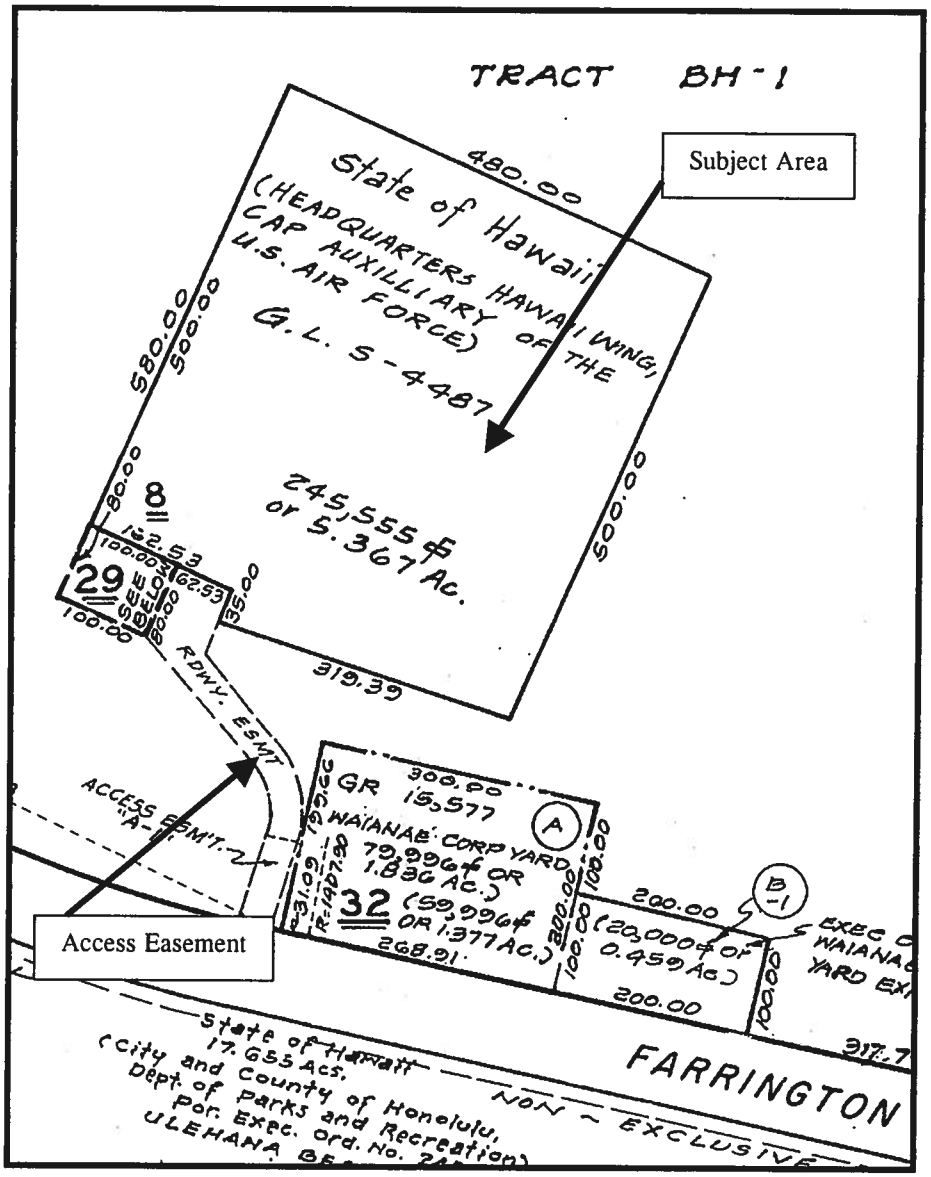
4. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

Timmy Chee
Land Agent

APPROVED FOR SUBMITTAL:

Laura H. Thielen, Chairperson



TMK (1) 8-7-006:002 (por) & 008

EXHIBIT A